

COMMONWEALTH OF PENNSYLVANIA  
COUNTY OF: ALLEGHENY

MDJ: Hon. RICHARD G OPIELA  
Magisterial District Number: 05-2-02  
Address: 439 PERRY HIGHWAY  
PITTSBURGH, PA 15229

Phone: 412.931.3205



POLICE CRIMINAL COMPLAINT  
COMMONWEALTH OF PENNSYLVANIA  
VS.

DEFENDANT:

MICHAEL

JOHN

(NAME and ADDRESS):

MIHELIC

First Name

Middle Name

Last Name

Gen.

2215 TEMPERANCE DRIVE PITTSBURGH, PA 15237

NCIC Extradition Code Type

Felony - Full Extradition

Distance: \_\_\_\_\_

DEFENDANT IDENTIFICATION INFORMATION

Docket Number CR-100-19 Date Filed 2/13/19 OTN/LiveScan Number G 830477-4 Complaint/Incident Number G-404-2017 Request Lab Services? ☐ Yes

GENDER MALE DOB 03/22/1959 POB Add'l DOB Co-Defendant(s) ☐

RACE WHITE First Name Middle Name Last Name Gen.

ETHNICITY AKA

HAIR COLOR EYE COLOR BRO (BROWN)

DNA DNA Location WEIGHT (lbs.)

FBI Number MNU Number Ft. HEIGHT In.

Defendant Fingerprinted 6 00

Fingerprint Classification

DEFENDANT VEHICLE INFORMATION

Plate # State Hazmat Registration Sticker (MMYY) Comm'l Veh. Ind. School Veh. Oth. NCIC Veh. Code Reg. Same as Def. ☐

Office of the attorney for the Commonwealth ☐ Approved ☐ Disapproved because: \_\_\_\_\_

(The attorney for the Commonwealth may require that the complaint, arrest warrant affidavit, or both be approved by the attorney for the Commonwealth prior to filing. See Pa.R.Crim.P. 507).

name of the attorney for the Commonwealth

(Signature of the attorney for the Commonwealth)

(Date)

I, KEVIN FLANIGAN

(Name of the Affiant)

38733

(PSP/MPOETC -Assigned Affiant ID Number & Badge #

of DISTRICT ATTORNEYS DETECTIVES

(Identify Department or Agency Represented and Political Subdivision)

PA002013A

(Police Agency ORI Number)

do hereby state: (check appropriate box)

1. X I accuse the above named defendant who lives at the address set forth above  
I accuse the defendant whose name is unknown to me but who is described as \_\_\_\_\_

I accuse the defendant whose name and popular designation or nickname are unknown to me and whom I have, therefore, designated as John Doe or Jane Doe

with violating the penal laws of the Commonwealth of Pennsylvania at

116

ROSS TWP

(Subdivision Code)

(Place-Political Subdivision)

In Allegheny County

02

(County Code)

on or about 07/10/2014 0:00



# POLICE CRIMINAL COMPLAINT

Docket Number: <b>CR-100-19</b>	Date Filed: <b>2/13/19</b>	OTN/LiveScan Number <b>G 830477-4</b>	Complaint/Incident Number <b>G-404-2017</b>
Defendant Name	First: <b>MICHAEL</b>	Middle: <b>JOHN</b>	Last: <b>MIHELIC</b>

The acts committed by the accused are described below with each Act of Assembly or statute allegedly violated, if appropriate. When there is more than one offense, each offense should be numbered chronologically. (Set forth a **brief** summary of the facts sufficient to advise the defendant of the nature of the offense(s) charged. A citation to the statute(s) allegedly violated, without more, is not sufficient. In a summary case, you must cite the specific section(s) and subsection(s) of the statute(s) or ordinance(s) allegedly violated. In addition, social security numbers and financial information (e.g. PINS) should not be listed. If the identity of an account must be established, list only the last four digits. 204 PA.Code §§213.1 – 213.7.)

Inchoate Offense	<input type="checkbox"/> Attempt 18 901 A	<input type="checkbox"/> Solicitation 18 902 A	<input type="checkbox"/> Conspiracy 18 903						
<b>X</b>	<b>1</b>	<b>5111</b>	<b>A1</b>	of the	<b>18</b>	<b>1</b>	<b>F1</b>		
Lead?	Offense#	Section	Subsection		PA Statute (Title)	Counts	Grade	NCIC Offense Code	UCR/NIBRS Code
PennDOT Data (if applicable)		Accident Number			<input type="checkbox"/> Safety Zone		<input type="checkbox"/> Work Zone		
Statute Description/Acts of the accused associated with this Offense:									
18 5111A1 DEALING IN THE PROCEEDS OF ILLEGAL ACTIVITY F1 1 COUNT									
The actor, knowing that the property involved in a financial transaction represented the proceeds of an unlawful activity, conducted a financial transaction which involved the proceeds of the unlawful activity, namely Theft by Deception of approximately \$306,550.00 with intent to promote the carrying on of the unlawful activity and/or knowing that the transaction was designed in whole or in part to conceal or disguise nature, location, source, ownership or control of the proceeds of unlawful activity and/or to avoid a transaction reporting requirement under State or Federal law, in violation of 18 Pa. C.S. §5111(a)(1) or (2) or (3).									

Inchoate Offense	<input type="checkbox"/> Attempt 18 901 A	<input type="checkbox"/> Solicitation 18 902 A	<input type="checkbox"/> Conspiracy 18 903						
	<b>2</b>	<b>3922</b>	<b>A1</b>	of the	<b>18</b>	<b>1</b>	<b>F3</b>		
Lead?	Offense#	Section	Subsection		PA Statute (Title)	Counts	Grade	NCIC Offense Code	UCR/NIBRS Code
PennDOT Data (if applicable)		Accident Number			<input type="checkbox"/> Safety Zone		<input type="checkbox"/> Work Zone		
Statute Description/Acts of the accused associated with this Offense:									
18 3922A1 THEFT BY DECEPTION F3 1 COUNT									
The actor intentionally obtained or withheld property, namely, US Currency totaling \$306,550.00 with a total value greater than \$2,000 belonging to SuperValu and/or NCH (Nielsen Coupon Clearing House) Marketing Services and/or companies that overpaid for fraudulent coupons submitted by deception, in violation of, 18 Pa. C.S. §3922.									





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Inchoate Offense	<input type="checkbox"/> Attempt 18 901 A	<input type="checkbox"/> Solicitation 18 902 A	<input type="checkbox"/> Conspiracy 18 903						
Lead?	3	3925	A	of the	18	1	F3		
Offense#	Section	Subsection	PA Statute (Title)	Counts	Grade	NCIC Offense Code	UCR/NIBRS Code		
PennDOT Data (if applicable)	Accident Number			<input type="checkbox"/> Safety Zone	<input type="checkbox"/> Work Zone				
Statute Description/Acts of the accused associated with this Offense:									
18 3925A RECEIVING STOLEN PROPERTY F3 1 COUNT The actor intentionally received, retained, or disposed of movable property, namely US Currency totaling \$306,550.00 belonging to SuperValu and/or NCH (Nielsen Coupon Clearing House) Marketing Services and/or companies that overpaid for fraudulent coupons submitted knowing that it had been stolen, or believing that it had probably been stolen and without intent to restore it to the owner thereof, in violation of 18 Pa.C.S. §3925(a).									

Inchoate Offense	<input type="checkbox"/> Attempt 18 901 A	<input type="checkbox"/> Solicitation 18 902 A	<input checked="" type="checkbox"/> Conspiracy 18 903						
Lead?	4	3922	A1	of the	18	1	F3		
Offense#	Section	Subsection	PA Statute (Title)	Counts	Grade	NCIC Offense Code	UCR/NIBRS Code		
PennDOT Data (if applicable)	Accident Number			<input type="checkbox"/> Safety Zone	<input type="checkbox"/> Work Zone				
Statute Description/Acts of the accused associated with this Offense:									
18 903A1 CRIMINAL CONSPIRACY F3 1 COUNT The actor, with the intent of promoting or facilitating the crime of 18:3922:A1 conspired and agreed with Jacqueline Barnes and/or Jody Ferraro that they or one or more of them would engage in conduct constituting such crime or an attempt or solicitation to commit such crime, and in furtherance thereof did commit an overt act in violation of 18 Pa. C.S. §903 (a)(1).									



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2. I ask that a warrant of arrest or a summons be issued and that the defendant be required to answer the charges I have made.
3. I verify that the facts set forth in this complaint are true and correct to the best of my knowledge or information and belief. This verification is made subject to the penalties of Section 4904 of the Crimes Code (18 PA.C.S. §4904) relating to unsworn falsification to authorities.
4. This complaint is comprised of the preceding page(s) numbered \_\_\_\_\_ through \_\_\_\_\_
5. I certify that this filing complies with the provisions of the Case Records Public Access Policy of the Unified Judicial System of Pennsylvania that require filing confidential information and documents differently than non-confidential information and documents.

The acts committed by the accused, as listed and hereafter, were against the peace and dignity of the Commonwealth of Pennsylvania and were contrary to the Act(s) of the Assembly, or in violation of the statutes cited.

**(Before a warrant of arrest can be issued, an affidavit of probable cause must be completed, sworn to before the issuing authority, and attached.)**

\_\_\_\_\_  
(Date) 2/13/19 (Signature of Affiant) [Signature]

AND NOW, on this date Feb. 13, 2019 I certify that the complaint has been properly completed and verified.

An affidavit of probable cause must be completed before a warrant can be issued.

05-2-02  
(Magisterial District Court Number)

[Signature]  
(Issuing Authority)

RICHARD G. OPIELA,  
MAGISTERIAL DISTRICT JUDGE  
MAGISTERIAL DISTRICT 05-2-02  
MY COMMISSION EXPIRES ON THE  
FIRST MONDAY IN JANUARY, 2022



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Defendant Name	First: <b>MICHAEL</b>	Middle: <b>JOHN</b>	Last: <b>MIHELIC</b>

## AFFIDAVIT of PROBABLE CAUSE

1. **WHEN:**

- a) Date when Affiant received information:  
08/08/2017
- b) Date when the source of information (Police Officers, Informant, Victim, Co-Defendant, Defendant, etc.) received information:

2. **HOW:**

- a) How Affiant knows this particular person committed crime: (personal observation, defendant's admissions, etc.):
- b) How the source of information knows this particular person committed the crime:
- c) How both Affiant and/or source of information knows that a particular crime has been committed:

3. **WHAT CRIMES:**

18 5111 A1 DEALING IN THE PROCEEDS OF ILLEGAL ACTIVITY  
18 3925 A RECEIVING STOLEN PROPERTY  
18 3922 A1 THEFT BY DECEPTION  
18 903 A1 CRIMINAL CONSPIRACY

4. **WHERE CRIME(S) COMMITTED:**

MULTIPLE LOCATIONS INCLUDING ROSS TOWNSHIP, SHALER TOWNSHIP AND RICHLAND TOWNSHIP

5. **WHY AFFIANT BELIEVES THE SOURCE OF INFORMATION:**

- X Source is presumed reliable, i.e. other Police Officer, Eyewitness, Victim of Crime, etc.  
Source has given information in the past which has led to arrest and/or conviction  
Defendant's reputation for criminal activity  
This source made declaration against his/her penal interest to the above offense
- X Affiant and/or other Police Officers corroborated details of the information





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Defendant Name	First: MICHAEL	Middle: JOHN	Last: MIHELIC

Your Affiant, Kevin P. Flanigan is a Detective with the Allegheny County District Attorney's Office and has been so for the past ten years. Your Affiant is also a Certified Public Accountant and has assisted in the investigation, detection and prosecution of financial crimes for the Allegheny County District Attorney's Office for four years prior to becoming a Detective and as such has extensive experience in the investigation and prosecution of white collar crime.

On or about August 8, 2017, your Affiant was assigned a case related to the activity of Michael Mihelic (hereinafter referred to as the 'actor'). A complaint was filed by Joshua Kotchey, a former employee of the Shop 'n Save located on Rochester Road in Ross Township. Kotchey stated that during his three years of employment, the actor, owner of four different Shop 'n Saves, orders his employees to remove coupons from newspapers received in his stores, collect these coupons from his office managers and turn them into the manufacturers for reimbursement as if they were used by customers. Kotchey has witnessed opening cashiers remove coupons from every newspaper and turn in the coupons to the office. He also witnessed the actor or Jacqueline Barness, the actor's accounting manager, leave the store with these coupons.

On Thursday, October 12, 2017, your Affiant along with Detective William Fisher, Allegheny County District Attorney's Office, traveled to meet with Kotchey at the University of Duquesne. Kotchey stated that the following information is based on his knowledge of what has occurred in the Rochester Road location and it is believed that this is happening at all of the locations.

Kotchey explained the scheme as the following:

On Sundays, newspapers need to be put together. Coupons and advertisements are placed into the newspapers prior to being placed on the racks for sale. The actor has instructed workers at this business location to remove and collect the coupons from the newspapers that have not been sold. Also, when placing the coupons into the newspapers, if any extras were delivered to their location, the actor wanted these also collected. Kotchey stated that these coupons are collected by employees without customers actually using the coupons during a purchase.

After these coupons are collected by employees of the actor, they are delivered to the office. These coupons are held in the office until Barness comes to the office and Barness takes these coupons weekly. The coupons are totaled for each Cashier and the amount is listed on a Manilla envelope along with the Cashier's number and drawer. The daily Manilla envelopes are placed into a box and stored in the Compressor Room at the store.

Kotchey stated that the actor owns four Shop 'n Save locations including Rochester Road, Pines Plaza, Glenshaw and Richland Mall.

On November 22, 2017, your Affiant along with Detective Jackelyn Weibel, Allegheny County District Attorney's Office, traveled to the residence of Christina Smith to ask Smith about her employment at Shop 'n Save on Rochester Road. Smith agreed to speak with your Affiant and Detective Weibel and stated the following:

Smith was employed as an Office Manager for Shop 'n Save on Rochester Road for approximately nine years and left approximately two to three years ago. Your Affiant and Detective Weibel asked if anything improper was being done with coupons at this Shop 'n Save location. Smith stated that employees at this Shop 'n Save are trained to remove coupons from unsold papers and bundles and give them to Don Mihelic (father of the actor), the actor or Barness.

Smith explained that this was originally the idea of the former owner, Don Mihelic (now deceased), but now the actor, the current owner, continues the coupon activity. Employees of this store are instructed to gather these unused coupons, filter them through the business office and then they are provided to Don Mihelic, the actor or Barness. Smith stated that Barness comes into work





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with coupons already cut out and tied and she is not sure where they are being cut out of the papers. She explained that Barness would have the coupons organized in bundles of \$500.00.

Smith stated that the actor owns four Shop 'n Saves. One of the Shop 'n Saves was purchased by the actor recently. All Shop 'n Saves are individually owned and the actor's stores use a computer system called SRR. The SRR System tracked the store's business which included information from the cash registers and has a section on the system for sales, payments, coupons, etc. Coupons added to ones legitimately used at Shop 'n Save are manually entered into the SRR System after legitimate coupons are already balanced and calculated. Smith estimated that the Rochester Road location would manually enter \$500.00 of coupons, per week, not actually used by customers of this location or \$100.00 of coupons per day for each of the five weekdays. This manual entry was done by the Office employee opening the office every weekday and by the time Smith was leaving Shop 'n Save, Barness was the only one manually entering this information.

Smith stated that she was sure that this was occurring at the other locations owned by the actor. At some point, Barness was the only one balancing the books for the Rochester Road location. Smith believes that Jodi LNU from the actor's Glenshaw Shop 'n Save would double check Barness's numbers. The Manilla envelopes with the legitimate coupon amounts written on them are kept in long egg boxes for seven years and are kept in the compressor room. Each store keeps their own records.

Smith stated that everyone knows what they are doing is wrong but they do it because they were always told they had to do it.

On September 20, 2018, your Affiant and Detective Weibel met with Jacqueline Sue Barness along with her attorney David Berardinelli at the Allegheny County District Attorney's Office Investigations Unit. Your Affiant explained to Berardinelli and Barness that the interview was being recorded in the interview room at the District Attorney's Office Investigations Unit. A copy of this recorded interview was made and placed into evidence under Inventory Number 09-412. Barness stated the following:

Barness worked for Shop 'n Save for approximately 28 years beginning on September 30, 1990. Barness worked for Don, Mark and Michael Mihelic throughout her tenure with Shop 'n Save. Barness has been the Controller for the actor's Shop 'n Save stores since June 2006. Barness's handled office work including Human Resources work and Administrative work.

Barness explained the correct way coupons are handled by the Shop 'n Saves she was responsible for. Coupons are provided to cashiers by customers. The coupons are scanned and placed into the cash register and the amount is reduced from the customers' orders. After the cashiers' shifts, cashiers tally the amount of coupons in the cash register along with the amount of money in the drawer. A "Balance Sheet" is prepared by the cashiers listing the number of coupons and this is compared to a printout from the office computer which also shows the number of coupons. Barness explained that when someone reconciles the "Balance Sheet", they are more concerned with the amount of cash in the drawers than the number of coupons. Coupons are placed into a box and kept weekly. At the end of each week (on Sunday), all coupons are added up and sent to SuperValu, Shop 'n Save's Wholesaling/Retailing company. The box of coupons is sealed up with a total "tally sheet" placed on top of the box. The box is handed to the driver of the SuperValu truck and they sign off on the receipt of the box. After the box of coupons is received by SuperValu, Shop 'n Save receives a credit against their outstanding balance on the monthly "Retailer Statement".

Don Mihelic died in 2014 (7/10/2014). Approximately one to one and a half years prior to Don's death, he began getting sick and needing help. Don asked Barness if she would cut coupons for him. She was instructed to cut coupons from the Sunday newspapers that were not sold at the store. Employees of the Shop 'n Saves were instructed to remove the coupons from the unsold newspapers and place them into a bag in the Office. Barness would pick up the unsold coupons every Monday morning and would take the coupons home with her at night. At night, Barness would cut the requested number of coupons. She explained that originally, Don Mihelic asked for Barness to cut \$500.00 worth of coupons for the Rochester Road location and \$400.00 worth of coupons for the Pine Plaza location per week. When the actor took over after Don passed away, the actor





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changed the amount for the Pine Plaza location to \$200.00 per week and left the Rochester Road location the same amount. She would cut these coupons and bring them back to each store on Tuesday morning and place the coupons into the coupon box for each store.

Jody Ferraro is the Office Manager for the other two locations and would be able to explain to these detectives that the same process was being followed at those locations. Since these stores are larger, Barness believes that Ferraro may have been collecting a larger total dollar value compared to her locations.

Barness would pull an equal amount of cash from Monday's cash deposit to offset the amount of coupons placed into the coupon box. On the "Daily Accountability Envelope" or "Account Sheet" for each location, they would account for the money withdrawn in cash. For example, at the Pines Plaza location, the "Account Sheet" would show \$200.00 in cash on Monday as a reconciling item. Each day for four straight days, this amount would reduce \$50.00 and the coupon total would raise \$50.00 until the reconciling number was no longer needed. The "Account Sheet" lists each day on it and you should be able to see the amount being reduced by \$50.00 a day for four days or \$100.00 a day for five days at the Rochester Road location. Barness would then place this money into an envelope for each location and give the envelopes to the actor or place the envelopes on his desk. The "Account Sheet" should be kept in an envelope and are kept monthly in a box in the store room of each store. The store room is the section in the back of each store or warehouse area. Barness is not sure how long Shop 'n Save is required to keep the records but it should be either two, three or seven years.

Barness stated that she would receive approximately \$20.00 for every \$100.00 the actor received totaling approximately \$140.00 every week for her two locations. She would receive this extra money every four to five weeks and would receive the money directly from the actor in an envelope.

Barness stated that this process stopped when your Affiant originally attempted to talk with Barness about the coupons.

On October 11, 2018, your Affiant along with Detective Jessica Meyer, Allegheny County District Attorney's Office, traveled to the Shop 'n Save located at 917 Butler Street, Pittsburgh, PA 15223 to speak with Jody Ferraro, Shop 'n Save Office Manager. Upon entering the building, Ferraro saw your Affiant and Detective Meyer and asked if she could help them. Your Affiant and Detective Meyer identified themselves to Ferraro and asked to speak with her. Ferraro took your Affiant and Detective Meyer to a second floor office. Your Affiant explained to Ferraro that this was a voluntary interview and she could terminate the interview at any time. Ferraro stated the following:

Ferraro worked for Don Mihelic at Foodland on Mt. Royal Boulevard. Don took over the Shop 'n Save located at 917 Butler Street in April 2008 and Ferraro continued to work for Don but now only at Shop 'n Save. The actor was Don Mihelic's son and took over as owner for Don's stores when he passed away. Ferraro continued to work for the actor when he took over the business and still works for the actor today.

As the Office Manager, Ferraro handles the cash earned at the store, balancing the cashier's drawers with the computer system, scheduling employees, etc. Ferraro oversees the other office workers and cashiers through the balancing process to make sure it is being handled appropriately.

Your Affiant and Detective Meyer asked about the coupon process and Ferraro stated that coupons are turned into the store by customers and scanned by cashiers. The coupons scanned by the cashiers are automatically entered into the computer system (SSR) and records are accessible in the office. The cashiers, when balancing with the office workers, calculate total cash and coupons in their drawers. A daily log sheet is also kept showing amount of cash received and coupons collected. Coupons are collected daily and placed into a box in the office. At the end of each week, coupons are counted, sealed within the box and given





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to the truck driver for SuperValu. The truck drivers are responsible for signing off on the receipt of the coupon box.

Your Affiant and Detective Meyer then asked Ferraro about whether she was requested to cut out unsold coupons by the actor and turn those coupons into SuperValu as if they were used by customers. Ferraro stated that Don Mihelic originally asked her to cut out unsold coupons at this store location. She explained that she was told to cut coupons to total \$600.00 per week and then it dropped to \$500.00 per week. When asked if it dropped when Don died, Ferraro was not sure when the amount dropped to \$500.00 per week. Your Affiant and Detective Meyer asked if the actor asked her to continue cutting the unused coupons when Don passed away and she stated that the actor asked her to continue. Ferraro would collect the unsold newspapers late Sunday or early Monday, cut the requested amount of coupons and place the coupons into the coupon box on Monday or Tuesday. Ferraro stated that the actor purchased another store on Route 8 in Gibsonia a few years ago and this activity was happening there as well. She explained that when the store originally opened under the actor's ownership, she was asked to only collect \$100.00 per week in coupons and later, maybe in 2017, raised the amount to \$400.00 per week. The amount of extra coupons per store is placed into the coupon box and an equal amount of cash is taken from the money in the office. This cash is taken and placed into separate envelopes (one envelope per store per week) by Ferraro and placed on the actor's desk. Ferraro stated that she would randomly receive cash back from the actor in an amount equal to 20 percent of the amount given to the actor. The actor would either hand her the money directly or place the money on her desk. In order to be able to balance the daily records, because there are extra coupons and less cash in the office, the amount of coupons is placed on the daily report and adjusted daily until the whole total is accounted for. For an example, if \$500.00 of extra coupons are placed in the box and \$500.00 in cash is taken from the office, \$500.00 is placed on the daily report as a reconciling item and the cash balance and coupon balance is adjusted \$100.00 daily until the balance is corrected. This item is documented on the daily report by Ferraro.

Ferraro stated that she never missed a week of cutting coupons and providing an equal amount of money to the actor.

On October 11, 2018, your Affiant contacted Kim Myrdahl, Deputy General Counsel, Senior Vice President and Chief Compliance Officer for SuperValu. Myrdahl stated the following:

SuperValu receives a box of coupons from each participating retailer weekly and does not open the box of coupons. SuperValu has a formula in determining the amount of credit to provide to each participating retailer. Each box is weighed individually and a calculation is performed using a known number of coupons per pound and an average amount per coupon of \$0.65. The credit provided to each participating retailer is a rough estimate of the value of the coupons. The coupons are then sent to NCH (Nielsen Coupon Clearing House) Marketing Services.

NCH is the national coupon processing center used by SuperValu and NCH counts and calculates the total actual value of the coupons submitted to SuperValu. After NCH totals the actual value of the coupons submitted, NCH pays SuperValu based on this amount and SuperValu adjusts their future credits to the participating retailers based on the difference between the estimated amount credited and the actual amount submitted. NCH submits the coupons received to the companies that issue the coupons in order to receive payment from those companies.

On October 17, 2018, your Affiant along with detectives from the Allegheny County District Attorney's Office Investigations Unit and detectives from local police departments served four valid search warrants simultaneously at all four of the actor's stores. During these searches, your Affiant and detectives obtained business records including but not limited to Cashier Reports and Office Reconciliation reports which documented the additional coupons added to the legitimate coupons received from customers. These additional coupons were added at an amount of \$50.00 - \$100.00 a day up to six days a week. Your Affiant calculated the total amount of additional coupons added from July 11, 2018 as follows:

Rochester Road: \$105,400.00



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Pines Plaza: \$53,450.00

Glenshaw: \$122,000.00

Route 8: \$25,700.00

Total additional coupons: \$306,550.00

Your Affiant asserts that the actor directed his employees to collect coupons from unsold newspapers, cut a predetermined dollar amount of coupons per store, comingle these coupons with the legitimately received coupons on a weekly basis, extract an equal amount of cash from the store's cash available, provide the cash to the actor and submit the fraudulently collected coupons to SuperValu to receive an additional credit to each store. Your Affiant asserts that SuperValu submits the fraudulently collected coupons to NCH who calculates the actual amount of coupons provided and submits to wholesalers and vendors for payment for the coupons received. Your Affiant also asserts that the actor paid both Barness and Ferraro approximately 20% of the proceeds obtained with the knowledge that the payments made to Barness and Ferraro would promote the continuance of the alleged scheme. Your Affiant asserts that probable cause exists for the issuance of process namely an arrest warrant for the herein named actor on the charge of Criminal Conspiracy 18 A C.S.A. Section 903 (a)(1), Theft by Deception 18 PA C.S.A. Section 3922 (a)(1), Receiving Stolen Property 18 PA C.S.A. Section 3925 (a), and Dealing in Proceeds of Unlawful Activities 18 PA C.S.A. Section 5111 (a)(1).

I, KEVIN FLANIGAN, BEING DULY SWORN ACCORDING TO THE LAW, DEPOSE AND SAY THAT THE FACTS SET FORTH IN THE FOREGOING AFFIDAVIT ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

I CERTIFY THAT THIS FILING COMPLIES WITH THE PROVISIONS OF THE CASE RECORDS PUBLIC ACCESS POLICY OF THE UNIFIED JUDICIAL SYSTEM OF PENNSYLVANIA THAT REQUIRE FILING CONFIDENTIAL INFORMATION AND DOCUMENTS DIFFERENTLY THAN NON-CONFIDENTIAL INFORMATION AND DOCUMENTS.

[Signature]  
(Signature of Affiant)

Sworn to me and subscribed before me this 13th day of February, 2019

2/13/19 Date [Signature]

, Magisterial District Judge

RICHARD G. OPIELA,  
MAGISTERIAL DISTRICT JUDGE  
MAGISTERIAL DISTRICT 05-2-02  
MY COMMISSION EXPIRES ON THE  
FIRST MONDAY IN JANUARY, 2022

My commission expires first Monday of January, 2022